control. The control sought to be exercised must be effective control. Otherwise, there is no purpose in enacting a measure of this kind. Unless the Select Committee is empowered to make drastic changes in the Bill, even at the risk of their going beyond the scope of the Bill, there is no use in introducing this Bill which does not meet the requirements of the occasion. Otherwise, I oppose the Bill as it stands.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): Sir, I had very little to do in the real drafting of the Bill; because it is only an adaptation of the Act in British India. That enactment has not been found to be defective or unworkable yet in any way in practical working.

MR. S. KRISHNA PILLAI (*Karunagapalli*): Does the member know that it has not done any advantage to the country where it is in force?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): It has been working fairly well so far as I know for two decades. If any change is considered necessary in this Bill, it can be made in the Select Committee.

I therefore move that the Bill be referred to a Select Committee.

The motion was put and carried.

MR. P. VISVANATHA AIYAR (*Ag. Secretary to Government*): I beg to read the title of the Bill:

"A REGULATION TO PROVIDE FOR THE REGULATION OF PROVIDENT INSURANCE SOCIETIES."

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): I beg to move that the Bill be referred to a Select Committee consisting of:

1. Rao Bahadur A. Venkatarama Aiyar.
2. Mr. A. S. Damodaran Asan.
3. Mr. K. P. Abraham.
4. Mr. K. P. Madhavan Pillai.
5. Mr. K. C. Karunakaran.
6. Mr. S. Krishna Pillai.
7. Mr. R. Nilakanta Pillai.
8. Mr. R. Vaidyalingam Pillai, and
9. Mr. Kayalam Paramesvaran Pillai, and that the Committee should report within four months.

The motion was put and carried.

PRESIDENT: Mr. A. Venkatarama Aiyar will be the Chairman of the Committee.

THE TRAVANCORE LIFE ASSURANCE COMPANIES BILL.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): Sir, I rise to introduce another Bill, a Bill to provide for the Regulation of the Life Assurance Companies in Travancore. The Bill

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[Mr. Kayalam Paramesvaran Pillai.]

has been published in the Gazette with a statement of objects and reasons.

MR. R. NILAKANTA PILLAI (*Financial Secretary to Government*): I second the motion.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): At the fag end of the day I do not want to detain the House long about the principles involved. I shall say frankly that I do not claim any originality for this Bill. It is an adaptation of the Act that has been in operation in British India for the last nineteen years. The main principle is that every life assurance company must deposit a certain sum with the Government and continue to deposit a further sum in accordance with their revenue and profits, and must also submit to Government all important papers, which they are likely to publish in order to give publicity to the financial position and status of these companies. It is hoped that, the assurance companies could be made to work with benefit to the persons who invest sums in such companies.

MR. A. S. DAMODARAN ASAN (*Mavelikara cum Kartikapalli*): What is the Law Member's opinion in regard to the amalgamation of the two Bills.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): If the House accepts the principle of this Bill, I propose to move that this Bill also be referred to the same Select Committee, so that if the Committee thinks that this may be amalgamated with the other, it may be done by the committee. I have no objection to such amalgamation.

MR. S. KRISHNA PILLAI (*Karunagapalli*): Has the Law Member any objection to bring within the scope of this enactment foreign companies working in Travancore?

MR. KAYALAM PARAMESWARAN PILLAI (*Additional Head Sirkar Vakil*): Already they are within the purview of this Bill.

MR. S. KRISHNA PILLAI (*Karunagapalli*): I may read clauses 20 21, 22, 23 and 24 of the Bill:

[The Member read clauses 21 to 24 of the Bill.]

Does the member think that by the enactment of this measure we can exercise better control over the foreign companies?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): According to this Bill, no provision is made for taking securities from foreign companies.

MR. S. KRISHNA PILLAI (*Karunagapalli*): Does not the member know that our Banking Enquiry Committee, in their report, has made a recommendation that some control ought to be exercised over the moneys now being drained out of Travancore, by the foreign life assurance companies?

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MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : They have proposed that some control ought to be exercised. I do not think they have gone into details.

MR. S. KRISHNA PILLAI (*Karunagapalli*) : Is that the only recommendation made by the Banking Enquiry Committee? Does the member know that the Indian Central Banking Enquiry Committee has made a stronger recommendation?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : Our Banking Enquiry Committee says that safeguards should be provided in the interest of the savings made by the people.

MR. S. KRISHNA PILLAI (*Karunagapalli*) : Yes; that is the recommendation. Has the Law member any objection in accepting the principle of that recommendation?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : Certainly not; if any omission has been made in this Bill that may be filled up by the Select Committee.

MR. S. KRISHNA PILLAI (*Karunagapalli*) : Sir, I accept the principle contained in this Bill. The only thing I have to say in regard to this is, that it ought to have formed part of the Statute Book of our State long before. Without going into details, the Law member merely stated that a similar enactment has been in operation in British India for the last nineteen years, and that all these years the British Indian Financiers and the British Indian Statesmen have been dealing with the subject and have not made a recommendation similar to that contained in the report of the Indian Central Banking Enquiry Committee about the exploitation of the British Indian moneys by foreign insurance companies. That committee has stated that the law on insurance companies must be so amended as to enable the State to compel these societies to invest their moneys in the State itself, for the benefit of the people of the State. I suppose Travancore also will be in a position to make sufficient provision in this Bill which would enable the State to exercise adequate control over the money collected from the people here. We are now dealing with a large enterprise carried on by these companies; and a large amount of money is being taken out of this country every year by these companies. I believe that the House will consider the question carefully and make suitable provisions in this Bill. With these observations I support the principle of the Bill.

PRESIDENT: The motion is that the principle of the Bill be accepted.

The motion was put and carried.

MR. P. VISVANATHA AIYAR (*Ag. Secretary to Government*) ; I beg to read the title of the Bill :

"A Regulation to provide for the regulation of Life Assurance Companies in Travancore"

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MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : I beg to move that this Bill also be referred to a Select Committee, constituted of the same members as those nominated for the previous Select Committee, and that the Committee should report within four months.

The motion was put and carried.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : The Chairman of the Committee has to be nominated, Sir.

PRESIDENT : Mr. A. Venkitarama Iyer will be the Chairman.

The Council adjourned at 5·25 P. M.

P. VISVANATHA AIYAR,
Secretary to the Legislative Council.

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